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Missouri MOU Resource Guide

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Resource Guide

[NOTE: This document is based on the State of Oklahoma's MOU Toolkit. Missouri staff have edited the document to reflect Missouri's policies and guidelines. Also, this document accompanies Missouri's "Memorandum of Understanding (MOU) Guidelines."]

Introduction

As Missouri builds an integrated, high quality workforce development system to better serve business and job seekers, one of the crucial challenges will be the development and refinement of Memoranda of Understanding (MOUs). Developing and refining local MOUs can be a complicated process where parties might be pulled in different directions by competing philosophical, legal, and financial considerations. However, there are logical steps to be taken, and a number of valuable resources, to make the process manageable. This resource guide provides help in understanding the issues involved and a structure for completing this complex task.

This guide is organized into six steps. It begins with an explanation of a Memorandum of Understanding and discussion of negotiating strategies. Step 2 is about getting the appropriate players to the table discussing service to customers. Step 3 is about making decisions about your local workforce development system and its services. Step 4 addresses sharing customers with the system and other partner programs. Only after there is agreement about the system and customers, do you address cost issues in Step 5. In Step 6 the work is not completed as the system and services will need to be continuously improved to meet changing customer expectations.

Step 1: GET PREPARED

We suggest you start by gathering information and trying to bring this exercise into focus. Review this guide and take advantage of the various resources listed in the last section.

How do we negotiate the MOU?

The MOU describes the local workforce development system design and documents the decisions that have already been made about what services will be delivered, by whom, how and at what cost. Therefore, much of the MOU content has already been determined when it is time to develop the document. However, local areas must still sort out the details of how the local system design decisions will play out for each partner.

The following suggestions will support the discussions and negotiations that must take place to reach agreement on each partner's commitment to the system.

- ### Don't rush into negotiations; prepare

  Before actual negotiation of the MOU begins, discuss the value of collaborative approaches to negotiation and establish some agreements about the negotiation process that everyone can support. Some examples:

  - Clearly explain what is important to you.
  - Understand what is important to others.
  - Focus on issues, not people.
  - Emphasize win-win solutions.
  - Focus on interests not positions.
  - Generate a variety of possibilities before deciding what to do.
  - Agree on objective standards for the outcome.

- ### Think through what kind of negotiator you want to be.

  Assess whether your style is accommodating, competing or win-win. It might be helpful to discuss these styles with your negotiating partners at the first meeting in which you are establishing agreements about the process.

- ### Focus on your own and others' interests throughout negotiations.

  Look for win-win solutions, ones that meet everyone's interests to the greatest extent possible. A critical element in negotiation is to come to understand the other party's underlying interest and needs. By probing and exchanging information you can find the commonalties and minimize the differences that seem to be evident.

- ### Look for creative solutions while negotiating.

  If an agreeable solution does not present itself quickly, use techniques to think in new ways about partners' contributions and responsibilities and to help advance the negotiating process. For example, try:

  - Expanding the pie - create additional resources so that all sides can obtain their major goals
  - Compensating - One side gets what it wants and others are compensated on other issues
  - Log-rolling - All sides make concessions on low-priority issues in exchange for concession on issues any side may value more highly
  - Cost cutting - One side gets what it wants and costs to the others are reduced or eliminated
  - Bridging - No one gets his or her initial demands, but a new option that satisfies the major interests of all is developed.

- ### Try focusing on interests rather than positions.

  The following are examples of focusing on interests vs. taking positions in an MOU setting:

  > Position: Our agency doesn't have any extra money to put toward rent here. If we can't be sponsored by one of the bigger operations, we may not be able to participate.

Interests: We want to be full partners, but we have a very small operation budget, only $335,000 annually, and it's already programmed to support our services and facility across town. Can we try to come up with a creative way to contribute to the local system and still meet our other obligations so we don't put our grants in jeopardy?

This example explains the need, expresses value placed on the partnership, lays out confidential information in a trusting way and offers a pathway to an open-ended solution.

- **Avoiding Impasse**

  The following are some suggestions that might help partners to avoid impasse:

  - Explain the process.
  - Indicate that there are consequences for failing to agree.
  - Acknowledge the difficulty of the task and the need for good negotiating skills.
  - Select a mediator from the community whom all will respect.
  - Look for a community dispute resolution service and line it up ahead of time.
  - Agree on consensus technique.
  - Get consensus training.

- **Educate yourself about negotiating!**

  Here are a few of the many negotiation skills resources available:

  - Fisher, Roger and Ury, William, Getting to Yes.
  - Gourlay, R., Negotiations and Bargaining.
  - Lan, D.A. and Sebenius, The Manager as Negotiator.

What is the best forum for negotiating MOUs?

The development of MOUs concerns One Stop partners at several levels and requires them to serve a number of roles. By virtue of their presence on the WIB, partners play a governance role, focusing on policy. By virtue of their responsibility for system and program operation, they plan a day-to-day operational role focusing on service delivery. For partners to perform both roles effectively, they need to clearly understand the nature of these roles and have the appropriate context in which to exercise them. The WIB is a governance body where policy decisions are made. It is not a partnership and should not serve as the venue for working through partnership issues. These issues, such as those pertaining to development of the MOU, may need to be addressed in a separate setting.

While it is not required by law it may be helpful to form a separate partner forum and recommend that local partners work out as many MOU issues as possible in a "partners' table" setting, prior to their being taken up by the WIB.

Who should lead this effort?

MOUs are to be developed by WIBs and One Stop partners, but who should convene the partners to begin negotiations? Obviously the WIB or their staff could facilitate this process. Perhaps the Chief

Local Elected Official (CLEO), or the existing local One Stop consortium could convene the partners. The key is not who does it, but recognizing that any convener other than the WIB is not in charge. In fact, you probably can't make this work if any one partner acts like they are in charge.

When must we complete this exercise?

WIA activities began in Missouri on July 1, 2000. Local WIB areas submitted plans and MOUs that were subsequently approved by the state. Some MOUs may have been hastily put together, customer groups may have changed, financial commitments may need to be re-evaluated, or goals and performance information may now be clearer. While the process has begun it is not over. Step 7 of the Toolkit addresses the need to continuously improve performance and accountability. The MOU is a tool to put commitments in writing.

Step 2: DETERMINE WHO IS GOING TO PARTICIPATE IN THIS EXERCISE

The Workforce Investment Act (WIA) requires that the local organizations responsible for specified federal programs must enter into MOUs. These organizations are known as the required partners. The logical first step in developing MOUs, therefore, is to determine who the required partners are in your local area. The required partner is the grant recipient, administrative entity or organization responsible for administering the funds of the following specified programs:

Workforce Investment Act Title I programs
National programs if located within workforce investment area--

- Native American programs
- Migrant and seasonal farm worker programs
- Veteran's workforce investment programs
- Youth opportunity grants
- Job Corps
- National emergency grants
- Employment Services
- Unemployment Compensation
- Veterans Employment Service
- Trade Adjustment Assistance and NAFTA-TAA
- Adult Education and Literacy
- Welfare-to-Work grant program
- Rehabilitation Services
- Community Service Employment for Older Americans
- Post-secondary Vocational Education
- Community Services Block Grants employment and training activities
- Housing and Urban Development employment and training activities
- Welfare Cash Assistance (TANF)
- Food Stamps employment and training activities

The identity of many organizations responsible for each of the above programs is generally locally known. However, there are some programs that may not be offered in every local area or are administered by an entity that may not be self-evident. For example, Job Corps programs are not available in all local areas. The same may be true for Native American, Migrant Worker and U.S. Department of Housing and Urban Development employment and training programs. Lists of contact persons for some of these programs can be obtained from the Division of Workforce Development.

It should be noted that, where a given national program is not present, WIBs are expected to make sure that customers of these programs have access to services through the local workforce development system.

Optional partners

In addition to the required partners, the local Workforce Investment Board has the discretion to name other entities as One Stop partners, based on local needs and resources. It should be noted that all entities designated as One Stop partners assume the same rights and responsibilities as required partners.

What are the rights and responsibilities of One Stop Partners?

All One Stop partners (required or optional) must commit to all of the following responsibilities:

Make available to participants through the Missouri Career Centers (MCCs) the core Services that are applicable to the partner's programs;

Use a portion of funds made available to the partner's program, to the extent not inconsistent with Federal law authorizing the partner's program, to create and maintain the Missouri Career Centers and provide core services;

Enter into an MOU with the WIB concerning the operation of the One Stop system, including: descriptions of services; how the costs of the identified services and the operation costs of the system will be funded; and methods of referring customers;

Participate in the operation of the One Stop system consistent with the terms of the MOU and requirements of authorizing laws;

Serve as a representative on the WIB.

The Local WIBs are focused on business leaders aligning resources in a local workforce development system and other issues related to service delivery within a local labor market.

The WIA requires that WIB members representing One Stop partner "shall be individuals with optimum policymaking authority within the organizations, agencies, or entities." As a result, the One Stop partner's WIB representative is their designee for negotiating the local MOU.

Why should the partners want to participate?

First, it is important to understand that it doesn't cost a partner anything but time and energy to sit down with the other partners to discuss building a customer focused service delivery system. Hopefully all partners will be willing to sit down and negotiate in good faith an integrated service delivery system focused on customer needs. It is only after such system building and service delivery decisions have been made that costs can be determined.

Second, assuming the Act isn't sufficient to entice or force all program operators to contribute their proportionate share for the desired system, why should they? Marketing rules should be applied; decisions are based on cost and value. What are they going to get (for their program and/or customers) and what is the cost?

Will participation aid in meeting federal performance standards? You must have at least a perception that the value is greater than the cost to make this sale.

STEP 3: DECIDE WHAT YOUR LOCAL SYSTEM WILL LOOK LIKE

A detailed explanation of the services that will be delivered to customers of the workforce development system must be provided, including the services delivered at the full-service Career Center and the services that will only be accessible through the local workforce development system. MOUs must clearly list the services to be provided to the customers and specify those partners delivering the services. All partner program services must be accessible through the full-service Career Center.

Since the MOU is intended to describe and detail how partners will contribute to the establishment and maintenance of the local system, it is important that the local WIB and the One Stop partners to the MOU share a collective vision for that system and have a common understanding as to the scope and purpose of the system. This is an important first step that must be taken before service delivery systems and partner roles and responsibilities can be further developed.

Workforce development refers to the preparation of people for work, now and in he future; the capacity of the local labor market to prepare those people for work; and the processes whereby employers and job seekers find each other. Workforce development in these terms encompasses much more than the specialized agencies and programs financed by federal or state government. This wider sense of workforce development takes into account the often over-looked employee development undertaken internally by businesses and by private staffing agencies. The term recognizes the presence of federal job training and placement initiatives while discerning their limited scale in light of the total worker preparation efforts within a local labor market.

Currently there are a variety of federally funded workforce development programs but no cohesive workforce development system. Each program is independent with its own planning cycle, definitions, outcome measures, etc., rather than being interrelated and aligned to achieve common objectives. By aligning partners in a systematic way more people can be served, diverse needs can be met; and customers, service standards, and resources can be shared. System components need to relate to each other and to other systems; multiple programs should have a single customer interface. Clear customer pathways should exist from one service to another with mutual accountability for system performance.

This is the federal definition of the One Stop (workforce development) delivery system:

> *A system under which entities responsible for administering separate workforce investment, education, and other human resource programs and funding streams (One Stop partners) collaborate to create a seamless system of service delivery that will enhance access to the programs' services and improve long-term employment outcomes for individuals receiving assistance.*

This new service delivery system is conceptualized as a joint venture where a set of core services are provided in common by all the required One Stop partners, at a minimum, with oversight and governance by the Local WIB. The system is not designed to reduce the uniqueness of other products/services potentially available from the various joint venture partners.

Each program partner maintains its autonomy and unique set of services, creates a joint venture with system services, and links them into a local workforce development system to serve all Missourians in an integrated, customer-focused setting (see diagram on page 4 of Missouri's *Memorandum of Understanding (MOU) Guidelines*).

What is service mapping and can it help?

Given that there is currently no one agency/funding steam that can provide ***all*** services and products necessary to meet an individual's needs, and there is no ***one*** agency that can provide enough services and products to meet the needs of ***all*** individuals, many agencies provide the same, or similar, services and products. (A service mapping guide is also available on our website.)

Given that some agencies/funding streams can provide services and products to the "universal" population, and some agencies can provide services and products to only "targeted" populations, It takes a variety of agencies/funding streams to provide enough services and products to both the targeted and universal population.

This leaves the community with multiple agencies/funding streams providing a variety of services and products to a variety of populations. The One Stop system is the method to coordinate those multiple agencies/funding streams into one complete system that will meet the needs of the entire population within a community, in a comprehensive approach. In order to create this new system, there needs to be a method to identify which agency/funding stream provides which services and products to which potential customers. Service Mapping is that method. The result of service mapping is a matrix of which agency/funding source provides which services to which populations.

In addition, this matrix allows the community to determine if there are any required services and/or products that ***have gaps*** (not able to be provided with the current funding stream/agencies), which services and/or products ***are duplicative*** (more available than are needed) and which services and/or products ***are being augmented*** (provided by multiple agencies in order to meet the total demand of the community).

Without this service gap analysis, there would be no community understanding of the multitude of services and products being offered, and by whom, which services need more providers, and which services and products have too may providers. Thus, service gap analysis allows the community to take the first step to fully utilizing its workforce development funds and creating a true One Stop approach for our customers

Program Integration

Potential system customers have stressed the value of service integration. For example, a single contact person for accessing system services.

The concept of integration should eventually include shared intake, referral and assessment; cross-program eligibility screening; shared client databases; joint definitions and forms; joint job development; cross-trained staff; and joint administrative structures and budgets.

There are four things front-line staff need to know to begin integrating services:

- General idea about eligibility for all partners' programs

- General service menu (agree upon core services)
- Performance objectives of the partner programs
- Most common customer questions and the appropriate answers

Quality Principles

System services and information shall be provided in accordance with operating standards identified by our system customers. These standards include utilizing quality principles; empowering customers to make informed work and career choices, and eliminating unnecessary "red tape."

Malcolm Baldrige quality principles should be utilized to ensure a results-oriented, customer responsive service delivery system. These principles include leadership, customer driven quality, continuous improvement, employee participation and development, fast response, partnership development, fact based management, and focus on results. Each of the programs have traditionally been responsive to their funding sources but not necessarily to customer input, particularly local employer customers. These quality principles are necessary to create effective results-oriented organizations equipped to continuously improve service delivery.

STEP 4: DECIDE HOW YOU WILL SHARE CUSTOMERS

Section 121 of the Workforce Investment Act requires the MOU to describe the "methods for referral of individuals between the local system (One-Stop) operator and the One-Stop partners, for the appropriate services and activities." The method of referral implies that there is a systematic approach to the referral of customers needing system or program services. This systematic approach must be agreed upon by all of the partners and thoroughly explained in the MOU so all partners, the local system operator, and the WIB are aware of the referral system. The referral system must always be to the advantage of the customer. The goal is to have a quality referral that rewards the customer with what they intended to receive when they arrived. This means a date, time, place and contact person, as well as what information the customer needs to bring with them for further processing.

An example of a systematic referral process for One-Stop center customers could read:

> *"It is agreed that the One-Stop partners signing this MOU will conduct referral for services in the following manner. All customers referred for services will:*
>
> - *Receive a written referral form with the date, time, and place of the appointment.*
> - *All appointments will be scheduled within three working days.*
> - *The individual making the appointment will follow-up within two working days of the scheduled appointment date to ensure services were delivered."*

The partners should describe their referral methodology pending implementation of a statewide case management system.

Beyond this there should be a narrative description of the overall referral arrangements across the workforce development system including full-service Career Centers, affiliate sites and any alternative access points in the local system.

How can we share customer data?

One of the key principles embodied in WIA is streamlining services through better integration. Programs and providers are expected to coordinate and integrate activities and information, so that the system as a whole is coherent and accessible for individuals and businesses alike. Customers should receive "seamless" services whenever possible; crossover among program lines should be invisible to the customer.

To assist in streamlining services, local partners are encouraged to develop a common customer release form. The key to developing an effective Release of information form is to understand that customers have a legal right to privacy. But the customer can waive that right with the hope of being better served by the system if consent is given voluntarily and the decision is informed. Guidelines to consider in developing a release and for sharing of customer information among partners include:

- The form should specify a time period, the type(s) of information that may be shared, and the reasons for sharing the information.
- The language of the release form should be simple and straightforward. It is important for all customers to be able to understand the information on the form. For those whose primary language is not English, you may want to have forms printed in the language with which they are most comfortable. The release should be explained by staff, as well.
- A release form needs to specify the organizations that will be sharing information. The customer must be notified regarding which agencies or organizations will be permitted to release and receive information. When agencies are listed on a consent form, a brief description of each agency's purpose should be made available to the customer. For example, a brochure or flyer with relevant program descriptions might be given to each customer, or a local service directory might be consulted as needed.
- The customer should be able to indicate if there are limits to his or her consent.
- The form should specifically identify to whom the release applies. For example, a parent may be authorizing information to be shared for a child. When an individual is providing consent on behalf of another individual, the relationship between the two individuals needs to be specified and validated.

STEP 5: DETERMINE HOW THE COSTS OF THE SYSTEM AND SERVICES WILL BE FUNDED

The Workforce Investment Act (WIA) regulations require that each MOU contain a section that provides the financial details of the agreement. Under the Act, all One-Stop partners are required to participate proportionately in the system and services costs. The identification in the MOU of total system costs and the resources that will support those costs is a critical step in making the local system sustainable.

Service delivery should be the prime factor driving operational planning, not cost accounting. However, cost accounting considerations must be a part of the planning process. Federal funding sources and good management practices require costs to be accumulated in an organized fashion to control budgets, measure the efficiency of operations and report financial information.

The WIB should negotiate each partner's share of the costs in a way that promotes the principles of proportionate cost sharing. To accomplish this, the WIB must be able to support the fairness of the negotiated amounts through the use of cost allocation methods or bases. The measurement of benefit is the critical requirement and central task to be performed in allocating costs. Costs are allocable to a particular cost objective based on benefits received by that cost category.

What does the local system cost?

There are infrastructure costs at the local level to provide the necessary tools to operate this integrated service delivery system as well as system service delivery costs and the costs of operating the individual programs within the new system.

Examples of Local infrastructure costs include:

- WIB staff and expenses
- One-Stop System Operator and expenses
- Career Resource areas
- Data lines
- Statewide toll free line
- Customer feedback mechanisms

System services costs include:

The personnel and related costs of providing core services to individual system customers that are in addition to basic labor exchange services traditionally provided in the local area by the Wagner-Peyser program.

Program costs include:

Those costs which are incurred directly by a partner to provide allowable activities to eligible participants of its own unique programs, these are not shared costs.

◆ Who will pay for these various costs?

Before starting to determine who should pay how much, each partner should review their program budget. This review is to identify items within their budget that could be of benefit to all partners. Examples: Salary and fringe benefits could be used to staff the Career Center, work on a joint marketing plan, or any other joint effort. Marketing or advertising funds could be used for publications promoting the whole career Center (listing all partners and services). Telephone costs could be used to pay for 800 lines or data lines. Office supplies could be used for supplies needed in the Career Center (could include keyboard or mouse for computers). See Missouri's *Cost Allocation Plan Guidelines.*

◆ How do we figure each partner's share?

Each partner must contribute a fair share of the cost of the system proportionate to the use of the system by individuals attributable to the partner's program. According to the WIA Final Rules, individuals attributable to the partner's program may include those who are:

- Referred through the system and enrolled in the partner's program after core services;
- Enrolled in the partner's program prior to receipt of core services;
- Meet the eligibility criteria of a partner's program and receive core services; or
- Meet an alternative definition described in the MOU.

Unless partners at the local labor market level agree to an alternative definition in their MOU, our task will be to match system customers with program enrollments or those meeting eligibility requirements to determine each partner's proportionate share.

It may be helpful to compare program customer counts from the most recent period in order to estimate future proportionate share. But, be aware that OMB Circulars require the cost allocation basis to be from the same period as the expenditures. For example, you cannot actually determine proportionate share until customers start using the system; we will have to count as we go along.

The State is also assuming that, unless determined otherwise locally, each customer's access to the system will be given the same weight. This means that whether a system customer accesses core services once or multiple times, or one or more core services, each system customer counts the same when determining proportionate share. If more than one partner provides core services to a single participant, that cost should be shared.

Who pays for customers of core services that aren't enrolled in or determined eligible for partner programs?

Since the methodology for determining which partner pays for which system customer is based on being enrolled in or determined eligible for partner programs, what happens when this is not the case? These costs are shared proportionately based on the enrolled participants.

What core services are considered basic labor exchange services that the state labor exchange service will be paying for?

The WIA Final Rules indicate that all One-Stop partners will proportionately share the costs of core services "that are in addition to the basic labor exchange services traditionally provided in the local area under the Wagner-Peyser program." These program services focus on the matching of job seekers with employers and include the following core services, as required by the Act:

- Job search and placement assistance (not including career counseling);
- The provision of employment statistics information (including job vacancy listings, information on job skills necessary to obtain the listed jobs, information relating to local occupations in demand and the earnings and skill requirements for such occupations);
- All other core services are in addition to the basic labor exchange services of Wagner-Peyser and must be jointly funded by the partners.

What about the costs of co-location?

In addition to the shared system costs that must be shared proportionately by each One-Stop partner in the local labor market, there are often shared costs of co-located partners. This results from sharing space, phone systems or items. The *Cost Allocation Plan Guide* is particularly helpful in determining how to share these costs.

- **What if we can't get agreement?**

  Your first and best option if various partners believe the cost is too high is to refocus on value, attempting to increase the value to be achieved. If some partners do not perceive the system as valuable enough, try to find ways to reduce the system and service delivery costs. If that does not work, you are at an impasse.

  - **Implications**

    What if you (the local interagency group and a particular partner) can't agree? The WIA Final Rules, Section 662.310, requires that local boards and One-Stop partners must enter into good-faith negotiations. Local boards and partners may request assistance from the State, and the State from the Federal funding agencies, to address impasse situations. Should these efforts fail, the local WIB and reluctant partners must document the negotiations and efforts that they have taken. Any failure to execute an MOU must be reported by the local board and the reluctant partner to the State Workforce Investment Board. The State must then report this to the Secretary of Labor or the head of any other federal agency responsible for the partner's program. Any partner that fails to execute on MOU may not be permitted to serve on the local board. In addition, a local board that has failed to execute an MOU, with all the required local partners, is not eligible for State incentive grant funds.

  - **Required impasse actions**

    - Local interagency teams and partners document their efforts;
    - Locality reports impasse to the State Workforce Investment Board and the Division of Workforce Development;
    - Division of Workforce Development reports impasse to the U.S. Secretary of Labor and the head of any other federal agency with responsibility for oversight of the programs at issue.

STEP 6: BE PREPARED TO CONTINUOUSLY IMPROVE THE LOCAL SYSTEM TO MEET THE CHANGING NEEDS OF YOUR CUSTOMERS

Continuous improvement is one of the major tenets of the Workforce Investment Act. States and local areas are required to outline the continuous improvement strategies that they will use to improve organizational effectiveness, program results and program out-comes.

The key to long-term success is the creation of a continuous improvement process to identify the changing needs of your customers and to identify process improvements that will increase customer satisfaction with the services your local system delivers.

How can we build continuous improvement into the local workforce development system?

- Build a culture that is focused on continuously improving services and customer satisfaction:
- Build continuous improvement into the design of your local service delivery plan and allocate resources to pay for the related products and activities (e.g. define how you will gather

customer feedback and determine what training is needed to support the continuous improvement effort.)

- Identify system indicators you want to track and gather the corresponding baseline data.
- Set performance goals for each of the indicators you choose to track (required and optional).
- Solicit ideas from partner agencies, which deal with both adults and youth, so that the local WIB can consider those ideas when it sets overall system performance goals Consider developing and using a report card to report results in an easily understandable format to the local WIB, Business and individual customers, and the staff of partner agencies.
- Have partner agencies review their existing data systems to align them with the core indicators and customer satisfaction indicators, so that data can be shared and aggregated across agencies.
- Establish a process for partner agencies to report data in relation to the performance goals on a regularly established basis.
- Designate key staff who will take responsibility for gathering and reporting data from each partner agency, and key staff who will aggregate that data.
- Schedule time on the local WIB agenda to review progress in relation to the performance goals.
- Review progress at least each year and possibly during the year toward reaching the performance goals.
- Re-set performance goals based on progress during any given period.
- Establish formal reward and recognition systems to positively reinforce your system's staff efforts to improve services and customer satisfaction (e.g., an award to recognize continuous improvement efforts conducted by an inter-agency team).
- Allocate resources to pay for all of these related costs.
- Revise performance appraisal systems to encourage staff to review their work in relation to the system's performance goals and to commit to continuously improving their work, etc.
- Determine the level of satisfaction of your staff and establish a plan to increase the satisfaction of these internal customers.
- Use the tools designed for the local system (locally developed and/or those referenced as resources below) to make improvements.

Eight Principles of Quality Improvement

1. Be customer-focused. Establish a formal process for collecting customer feedback at regularly established intervals using several methodologies (e.g., surveys, focus groups). Use an informal process for collecting customer feedback on a weekly or biweekly schedule (e.g., ask participants how satisfied they are immediately following the delivery of a specific service, record their responses, and look for trends).

2. Focus on fixing the service delivery system and the service delivery process. Fix what's most important to the customer across systems.

3. Do the right thing, the first time. Emphasize quality and develop continuous improvement strategies to improve the accuracy and efficiency of your staff's work.

4. Make data-driven decisions and use structured problem-solving methodologies. Use data, not opinions to make decisions. Use the same problem-solving methodologies across the system.

5. Measure the effectiveness of the improvement efforts. Define baseline performance and report improvements as a result of the continuous improvement effort.

6. Involve everyone. Ask individual and business customers to help you improve services or processes. Encourage front-line staff to initiate continuous improvement efforts. Define and explain "empowerment" for each level of staff.
7. Communicate with and provide training to staff, board, and partner agencies. Build systems to share information with all partners. Develop methodologies to cross-market the system to all customers (e.g., an inter-agency brochure for businesses). Develop a plan to cross-inform and cross-train staff to build the capacity to offer seamless service delivery.
8. Build leadership at all levels of the system:
    - Develop a shared vision, mission, values and goals.
    - Hold everyone accountable for contributing to continuous improvement efforts.
    - Treat staff as a valued customer in the system.
    - Celebrate successes.
    - Publish the results of each continuous improvement effort.
    - Promote risk-taking and team work.

RESOURCES THAT MIGHT HELP

Customer Needs

- Community organizations that represent customer groups (e.g. Chamber of Commerce, Centers for Independent Living, etc.).
- All partners (WIA required partners, other WIA recommended partners, and other key community organizations such as the United Way).
- Simply Better products: a good focus group guide entitled "The Customer in Focus" can be found at **www.simplybetter.org**.
- **Missouri*WORKS!*** At **www.works.state.mo.us** for current labor market information
- USDOL Workforce Investment Act website: **www.usworkforce.org.**

Local System Design

- USDOL Employment and Training Administration One-Stop website (good One Stop demonstration site resources): **www.ttrc.doleta.gov/onestop**
- The Interstate Conference of Employment Security Agencies (ICESA) website has excellent resources for WIA related issues: **www.icesa.org**
- Other states' WIA plans: available at **www.usworkforce.org** ("State Plan Review and Approval Status" section).
- WIA required and suggested core and intensive services: See Workforce Investment Act sections 134(d)(2) and 134 (d)(3) and WIA Interim Final Rule sections 663.150, 663.200, and 662.240 through 662.260. WIA statute and regulations are available at www.usworkforce.org.
- US Workforce website: **www.usworkforce.org**
- US Department of Labor: **www.doleta.gov**
- ICESA website: **www.icesa.org**
- Websites of early implementation states

Cost Sharing

- Missouri's *Cost Allocation Plan Guidelines*, found under Workforce Investment Act Information at **www.ecodev.state.mo.us/mtec/index.htm**
- Information from state agencies on the allowable costs of various funding streams.
- Information from USDOL regarding cost allocation issues: Check **www.usworkforce.org** for updates
- OMB Circulars: A87 (Cost Principles for State, Local and Indian Tribal Governments), A21 (Cost Principles for Educational Institutions), A122 (Cost Principles for Non-Profit Organizations): Available at **www.whitehouse.ciav/omb**.
- USDOL Employment and training Administration website: **www.doleta.gov.**
- USDOL WIA website: **www.usworkforce.org**.
- OMB Circulars: **www.whitehouse.ciov/omb**.

Continuous Improvement

- Simply Better! Tools: Self-Assessment, The Voice of the Customer, The Customer in Focus, Service by Design, Measuring Success and much more can be found at **www.simplybetter.org**. Staff development on the Simply Better Products is available through the Missouri Training Institute. Contact Alan St. John or Ann Merrifield at (573) 882-2860.
- Tools designed by the Enterprise Council in conjunction with the US Department of Labor: Great information on customer satisfaction and continuous improvement can be found at **www.theenterprise.org**.
- Malcolm Baldridge criteria for Performance Excellence at the Baldridge website: **www.Quality.nist.gov/crit2.htm**.
- Interstate Conference of Employment Security Agencies (ICESA) has survey tools and customer satisfaction training available for the one-stop system partners. Check **www.icesa.org**
- Businesses in your local area will have continuous improvement tools that could be used by the system.
- Workforce development programs now have access to their own quality certification process modeled after Baldridge criteria. Information on this process can be found at **www.workforce-excellence.net**
- The State of Missouri has its own quality award that government, education and service type organizations can apply for. Information on the award process and services provided can be found at **www.mqa.org**